

U.S. Treasury's Hardest Hit Fund - Quarterly and Cumulative Activity Report



This report provides a summary of information that has been reported by the State of Arizona to the U.S. Department of Treasury in connection with the Hardest Hit Fund Program for the latest quarter, as well as cumulative data on the program.

Save Our Home AZ Program	Last Quarter 2nd Q 2011	Cumulative 9/23/2010 – 2nd Q 2011
Applications denied:	210	751
Total Applications funded:	68	78
Principal Reductions:	\$ 44,294.00	\$ 64,164.00
Number of Commitments made/transaction closed	2	3
Number of Commitments made/transaction not closed	0	
Number of alternate mortgage modifications generated	6	16
Second Mortgage Settlements:	\$ 6,317.00	\$ 6,317.00
Number of Commitments made/transaction closed	2	2
Number of Commitments made/transaction not closed	0	
Temporary Unemployment Assistance:	\$ 1,525,681.47	\$ 1,752,351.47
Number of Commitments made/transaction closed	65	74
Number of Commitments made/transaction not closed:	0	

The Arizona Department of Housing (ADOH) launched the Save Our Home AZ program on September 23, 2010, running the program as a pilot with a controlled roll-out through December 31, 2010. During that time ADOH diligently worked with the lender/servicer community to market the advantages of the program. During that period one local Arizona lender/servicer agreed to participate, making the first commitment for Principal Reduction which closed in January 2011. In the first quarter of 2011, one major servicer/lender, Bank of America, signed a participation agreement with the program. Principal Reductions connected with that servicer are not expected to be reported until the 3rd Quarter of 2011. Negotiations continue with other lending institutions and servicers.

During this pilot period ADOH also submitted an amendment to Treasury to authorize a minor restructuring of its Temporary Assistance component of the program to allow for Unemployed borrowers to participate. This new component has increased applications for assistance. As this report is being published, ADOH is also contemplating a Transitional Assistance component which would encourage short sales with up to \$3,000 in moving assistance the customer and \$2,000 to the Service/lender for an expeditious closing.

Explanations and Definitions:

Applications denied means applications that were denied for assistance, and could include denials at the State, Mortgage Counseling Agency, or Lender/Servicer levels. Reasons for denial differ, depending on where the denial occurs.

- State-level denials generally occur because the application was determined ineligible for failure to meet the program requirements or the applicant provided insufficient documentation.
- Counselor-level denials generally occur because a detailed review of the application indicates that the project does not meet the financial parameters for program participation.
- Lender/Servicer-level denials generally occur because the Lender/Servicer has determined not to participate in the program. In some cases the Lender/Servicer may deny the HHF request, but counter offer to provide the mortgagee assistance through another modification method.

Total Applications funded is broken down by type of transaction. The dollar figures reported only include the number of commitments made in which the transactions closed. Number of commitments made, where transactions are pending is provided for information only.

Arizona – All Participants		Last Quarter 2 nd Q 2011	Cumulative 9/23/2010 – 2 nd Q 2011
Borrower Income (\$)			
	Above \$90,000	0%	0%
	\$70,000- \$89,000	0%	0%
	\$50,000- \$69,000	4%	4%
	Below \$50,000	96%	96%
Borrower Income as Percent of Area Median Income (AMI)			
	Above 120%	0%	0%
	110%- 119%	0%	0%
	100%- 109%	0%	0%
	90%- 99%	0%	0%
	80%- 89%	1.49%	1.30%
	Below 80%	98.51%	98.70%
Geographic Breakdown (by county)			
	Maricopa County	38	44
	Pima County	12	14
	Pinal County	9	10
	Balance of State	9	10
Home Mortgage Disclosure Act (HMDA)			
	Borrower		
	Race		
	American Indian or Alaskan Native	1	1
	Asian	0	0
	Black or African American	2	2
	Native Hawaiian or other Pacific Islander	0	0
	White	50	55
	Information Not Provided by Borrower	15	20
	Ethnicity		
	Hispanic or Latino	13	15
	Not Hispanic or Latino	42	45
	Information Not Provided by Borrower	13	18
	Sex		
	Male	37	41
	Female	25	29
	Information Not Provided by Borrower	6	8
	Co-Borrower		
	Race		
	American Indian or Alaskan Native	0	0
	Asian	0	0
	Black or African American	2	2
	Native Hawaiian or other Pacific Islander	0	0
	White	15	16
	Information Not Provided by Borrower	7	8
	Ethnicity		
	Hispanic or Latino	4	4
	Not Hispanic or Latino	14	15
	Information Not Provided by Borrower	6	7
	Sex		
	Male	4	4
	Female	18	20
	Information Not Provided by Borrower	2	2
Hardship			
	Unemployment	65	74
	Underemployment	3	4
	Divorce	0	0

	Medical Condition	0	0
	Death	0	0
	Other	0	0
Current Loan to Value Ratio (LTV)			
	<100%	19.12%	20.51%
	100%-109%	2.94%	5.13%
	110%-120%	8.82%	11.54%
	>120%	69.12%	62.82%
Current Combined Loan to Value Ratio (CLTV)			
	<100%	0.00%	0.00%
	100%-119%	0.00%	0.00%
	120%-139%	12.50%	12.50%
	140%-159%	25.00%	25.00%
	>=160%	62.50%	62.50%
Delinquency Status (%)			
	Current	0.00%	0.00%
	30+	0.00%	0.00%
	60+	80.88%	74.36%
	90+	19.12%	25.64%
Household Size			
	1	12	13
	2	24	29
	3	13	15
	4	11	12
	5+	8	9

Permanent Modification Assistance

		Last Quarter 2 nd Q 2011	Cumulative 9/23/2010 -2 nd Q 2011
Program Characteristics			
General Characteristics			
	Median 1st Lien Housing Payment Before Assistance	\$ 1,411.18	\$ 1,241.51
	Median 1st Lien Housing Payment After Assistance	\$ 903.65	\$ 813.54
	Median 2nd Lien Housing Payment Before Assistance	0	0
	Median 2nd Lien Housing Payment After Assistance	N/A	N/A
	Median 1st Lien UPB Before Program Entry	\$ 192,234.31	\$ 170,137.20
	Median 1st Lien UPB After Program Entry	\$ 101,090.23	\$ 96,139.65
	Median 2nd Lien UPB Before Program Entry	0	0
	Median 2nd Lien UPB After Program Entry	N/A	N/A
	Median Principal Forgiveness ¹	0	0
	Median Assistance Amount	\$ 22,147.00	\$ 21,382.00
Assistance Characteristics			
	Assistance Provided	\$ 44,294.00	\$ 64,146.00
	Total Lender/Servicer Assistance Amount	\$ 44,294.00	\$64,146.00
	Borrowers Receiving Lender/Servicer Match (%)	100.00%	100.00%
	Median Lender/Servicer Assistance per Borrower	\$ 22,147.00	\$21,382.00
Other Characteristics			
	Total Amount Spent (Programmatic Expenses)	\$ 44,294.00	\$ 64,146.00
	Median Length of Time from Initial Request to Assistance Granted	32	32
	<i>Current</i>		
	Number	0	0
	%	0%	0%
	<i>Delinquent (30+)</i>		
	Number	0	0
	%	0%	0%
	<i>Delinquent (60+)</i>		
	Number	0	0
	%	0%	0%
	<i>Delinquent (90+)</i>		
	Number	2	3
	%	100%	100%
Program Outcomes			
	Borrowers No Longer in the HHF Program (Program Completion/Transition or Alternative Outcomes)	0	0
Homeownership Retention²			
	Six Months Number	N/A	0
	Six Months %	N/A	0%
	Twelve Months Number	N/A	0
	Twelve Months %	N/A	0%
	Unreachable Number	N/A	0
	Unreachable %	N/A	0%
1. Includes second mortgage settlement 2. Borrower still owns home			

Second Mortgage Assistance

		Last Quarter 2 nd Q 2011	Cumulative 9/23/2010 – 2 nd Q 2011
Program Characteristics			
General Characteristics			
	Median 1st Lien Housing Payment Before Assistance	\$ 1,511.26	\$ 1,511.26
	Median 2nd Lien Housing Payment Before Assistance	\$ 260.84	\$ 260.84
	Median 2nd Lien Housing Payment After Assistance	0	0
	Median 1st Lien UPB Before Program Entry	\$ 215,454.98	\$ 215,454.98
	Median 2nd Lien UPB Before Program Entry	\$ 28,778.00	\$ 28,778.00
	Median 2nd Lien UPB After Program Entry	0	0
	Median Principal Forgiveness ¹	\$ 25,619.50	\$ 25,619.50
	Median Assistance Amount	\$ 3,158.50	\$ 3,158.50
Assistance Characteristics			
	Assistance Provided	\$ 6,317.00	\$ 6,317.00
	Total Lender/Servicer Assistance Amount	0	0
	Borrowers Receiving Lender/Servicer Match (%)	100%	100%
	Median Lender/Servicer Assistance per Borrower	\$ 25,619.50	\$25,619.50
Other Characteristics			
	Total Amount Spent (Programmatic Expenses)	\$ 6,317.00	\$ 6,317.00
	Median Length of Time from Initial Request to Assistance Granted	32	32
	<i>Current</i>		
	Number	0	0
	%	0%	0%
	<i>Delinquent (30+)</i>		
	Number	0	0
	%	0%	0%
	<i>Delinquent (60+)</i>		
	Number	0	0
	%	0%	0%
	<i>Delinquent (90+)</i>		
	Number	2	2
	%	100%	100%
Program Outcomes			
	Borrowers No Longer in the HHF Program (Program Completion/Transition or Alternative Outcomes)	0	0
Program Completion/ Transition			
	<i>Loan Modification Program</i>		
	Number	0	0
	%	0%	0%
Homeownership Retention²			
	Six Months Number	N/A	0
	Six Months %	N/A	0%
	Twelve Months Number	N/A	0
	Twelve Months %	N/A	0%
	Unreachable Number	N/A	0
	Unreachable %	N/A	0%
1. Includes second mortgage settlement 2. Borrower still owns home			

Unemployment Mortgage Assistance Component

		Last Quarter 2 nd Q 2011	Cumulative 9/23/2010 – 2 nd Q 2011
Program Characteristics			
General Characteristics			
	Median 1st Lien Housing Payment Before Assistance	\$1,199.32	\$2,217.21
	Median 1st Lien Housing Payment After Assistance	\$221.32	\$221.32
	Median 2nd Lien Housing Payment Before Assistance	\$370.63	\$530.07
	Median 1st Lien UPB Before Program Entry	\$167,663.07	\$333,214.35
	Median 2nd Lien UPB Before Program Entry	\$59,555.29	\$59,555.29
	Median Principal Forgiveness ¹	0	0
	Median Length of time Borrower Receives Assistance	N/A	24
	Median Assistance Amount	\$978.00	\$2,027.40
Assistance Characteristics			
	Assistance Provided	\$1,525,681.47	\$1,752,351.47
Other Characteristics			
	Total Amount Spent (Programmatic Expenses)	\$1,525,681.47	\$1,752,351.47
	Median Length of Time from Initial Request to Assistance Granted	32	32
	<i>Current</i>		
	Number	0	0
	%	0%	0%
	<i>Delinquent (30+)</i>		
	Number	0	0
	%	0%	0%
	<i>Delinquent (60+)</i>		
	Number	13	16
	%	20%	21.62%
	<i>Delinquent (90+)</i>		
	Number	52	58
	%	80%	78.38%
Program Outcomes			
	Borrowers No Longer in the HHF Program (Program Completion/Transition or Alternative Outcomes)	0	0
Program Completion/ Transition			
	<i>Loan Modification Program</i>		
	Number	0	0
	%	0%	0%
	<i>Re-employed/ Regain Appropriate Employment Level</i>		
	Number	0	0
	%	0%	0%
	<i>Reinstatement/Current/Payoff</i>		
	Number	0	0
	%	0%	0%
Homeownership Retention²			
	Six Months Number	N/A	0
	Six Months %	N/A	0%
	Twelve Months Number	N/A	0
	Twelve Months %	N/A	0%
	Unreachable Number	N/A	0
	Unreachable %	N/A	0%

1. Includes second mortgage settlement

2. Borrower still owns home

